



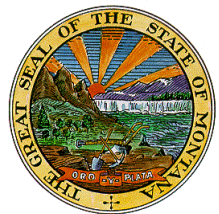
CALL FOR NONPOINT SOURCE PROJECT FUNDING REQUESTS

**FISCAL YEAR 2018 CLEAN WATER ACT SECTION 319 NONPOINT
SOURCE PROGRAM**

June 22, 2017

Prepared by:

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1.0 INTRODUCTION

The Montana Department of Environmental Quality (DEQ) is issuing this Fiscal Year 2018 Call for Nonpoint Source Project Funding Requests (Call) under Section 319(h) of the Federal Clean Water Act (CWA). DEQ is the lead Montana agency for the Section 319(h) program. Information in this call may be subject to change based on available funding and shifting DEQ and U.S. Environmental Protection Agency (EPA) priorities. If changes become necessary, DEQ will post the changes on the NPS program website at <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/NPS-319-Project-Funding>.

DEQ anticipates approximately \$900,000 in NPS project funds will be available for this Call, to be distributed in June or July of 2018. The recommended range for NPS funding requests is \$10,000–\$300,000 per project, and a 40% cost share is required. DEQ recognizes that project scale will vary depending on a variety of factors such as the size of the watershed, the type of impairment, the landowner, the restoration technique being implemented, etc. Restoring water quality for some waterbodies may ultimately require numerous small scale projects focused on riparian management BMPs. Therefore, all projects that meet the requirements of this call will be considered, no matter the scale of the project. Most of the projects accepted through this Call will be for on the ground restoration projects. However, DEQ will accept applications from groups willing to distribute funding as mini-grants for educational activities. DEQ intends to fund one educational mini-grant application at a maximum of \$30,000. Please direct questions regarding this Call to Dean Yashan, at 406-444-5317 or dyashan@mt.gov.

New for FY18:

- In the past, prior to submitting a final application, project sponsors were required to submit a project funding request that was reviewed by DEQ and partners in order to provide feedback to the project sponsors. For FY18 this step has been eliminated; however, project sponsors are encouraged to contact DEQ staff with questions or ideas for NPS projects. See section 5.4 for details.
- Project sponsors that have a draft WRP or need to make changes to their WRP must contact DEQ prior to submitting an application. DEQ staff will review a draft of the WRP and estimate the likelihood of it being ready for DEQ acceptance. The WRP must be approved and accepted by DEQ by January 31, 2017. See section 2.2 for details.
- The recommended range for NPS funding requests has been lowered to be inclusive of smaller scaled projects.
- DEQ has added scoring considerations A8, A9 and B3 to acknowledge potential additional NPS project benefits. DEQ will rely on project sponsors to use the application material to help identify project benefits toward considerations A8 and A9. For consideration B3, DEQ will make the scoring determination based on the nature of the proposed project and other available information. Although some projects may not rate high for considerations A8, A9, and/or B3; a project that effectively addresses NPS pollution can still rate very high in overall scoring and receive up to 100% of funding.

Schedule for Fiscal Year 2018 NPS Funding Program (see Section 5.1 for more details):

Date	Event
6/22/2017	Issue of FY2018 Call for Nonpoint Source Project Funding Requests
6/22/2017 through 8/18/2017	Project sponsors may contact DEQ to obtain input on project proposals and for review of draft applications
9/18/2017	Applications due to DEQ
10/12/2017	Project Sponsor presentations and Evaluation by Agency Review Panel
10/27/2017	Notice of Intent to Award is sent to Project Sponsors
July 2018	Funding becomes available

1.1 GOAL OF THE NONPOINT SOURCE PROGRAM

The goal of Montana's NPS Management Program is to protect and restore water quality from the harmful effects of nonpoint source pollution. This goal can be accomplished by implementing Best Management Practices and conducting Education and Outreach activities. DEQ strongly encourages the development and implementation of science-based, locally-supported Watershed Restoration Plans to guide these efforts. The 2012 Montana Nonpoint Source Management Plan describes how DEQ plans to see this goal achieved. The NPS Plan contains specific program goals, priorities, and identified BMPs.

1.2 HELPFUL RESOURCES

The following information may be useful in preparing a project:

- The 2012 Montana Nonpoint Source Management Plan (NPS Plan): http://deq.mt.gov/Portals/112/Water/WPB/Nonpoint/Publications/NPSPlan_Complete_07162012.pdf
- A map showing watersheds with approved total maximum daily loads (TMDLs) and final TMDL documents: <http://deq.mt.gov/Water/WQPB/TMDL/TPAmap>
- Information on existing Watershed Restoration Plans (WRPs) and WRP development: <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Watershed-Restoration-Planning>
- The Clean Water Act Information Center (CWAIC) database is available to help you search for information on the impairment and TMDL status of Montana waterbodies. The database can be searched online at <http://deq.mt.gov/Water/WQPB/CWAIC>

2.0 ELIGIBILITY REQUIREMENTS

Project sponsors, projects, and applications must meet the following requirements.

2.1 PROJECT SPONSOR ELIGIBILITY

Project sponsors must:

- **Be a governmental entity or a nonprofit organization.** A governmental entity is a local, state, or federal office that has been established and authorized by law. Nonprofit organizations are identified as having a tax exempt declaration of 501(c)(3) from the Internal Revenue Service.
- **Have a current DUNS number.** Data Universal Numbering System (DUNS) numbers may be obtained from the following website: <http://fedgov.dnb.com/webform/index.jsp>

- **Be registered with SAM.** (Formerly the Contractor Certification Registration). The SAM registration website is <https://www.sam.gov>
- **Be registered with the Montana Secretary of State.** All project sponsors must be registered with the Montana Secretary of State to do business in the state of Montana. Registration with the Secretary of State may be completed via the following website: <http://sos.mt.gov/business/toolkit/index.asp>
- **Have the necessary liability insurance and be in compliance with the Workers Compensation Act.** Awardees will be required to demonstrate proof of liability insurance and compliance with the Workers Compensation Act prior to being awarded funding. Please contact Brian Barnes, (Brian.Barnes@mt.gov or 406 444-4205) for guidance on the type and level of insurance coverage necessary for your project.

2.2 PROJECT ELIGIBILITY

All restoration projects must:

- **Address nonpoint source pollution.**
- **Implement actions identified in the 2012 Montana Nonpoint Source Management Plan.**
- **Implement goals and priorities identified in a DEQ-accepted Watershed Restoration Plan (WRP).** If you do not have a DEQ-accepted WRP by the Application deadline you must submit a draft prior to applying for funding. DEQ staff will review the draft and estimate the likelihood of it being ready for DEQ acceptance prior to January 31, 2017. Funds will not be awarded to projects that do not have a DEQ-accepted WRP in place by January 31, 2017. Please direct questions regarding WRP acceptance to Robert Ray at 406-444-5319 or rray@mt.gov.
- **Address impairments identified on Montana's most recent List of Impaired Waters.** In some instances, projects on streams that are not listed as impaired may be acceptable, if they reduce pollutant loading to an impaired, downstream receiving water.
- **Be able to be completed within 3 years.**

2.3 APPLICATION ELIGIBILITY

- **Applications and required materials must be received by DEQ by 2PM on 9/18/2017.** See section 5.0 for details.
- **Application must have the appropriate signatures.** See the Application Instructions for details on how to submit signatures.

3.0 PROJECT TASKS

For each restoration project, it is anticipated that there will be one or more contract tasks toward achieving on-the-ground actions. In addition, the following tasks are required for each application:

- Contract Administration
- Education and Outreach Activities
- Project Effectiveness Evaluation
- Load Reduction Estimation
- Operation and Maintenance Plan/Landowner Agreement

For applications from groups willing to distribute funding as mini-grants for educational activities, contract administration and project effectiveness evaluations must be addressed within one or more tasks.

3.1 CONTRACT ADMINISTRATION

No more than 10% of the requested funds can be used to cover administrative costs. Administrative costs include but are not limited to charges for:

- Preparation and submittal of required reports and reimbursement requests
- Overhead costs
- Expense/budget tracking
- Insurance

3.2 EDUCATION AND OUTREACH

Education and outreach activities should be related to the project. Appropriate E&O activities include a watershed tour that visits the project site, preparing news releases and newsletter articles covering the project, setting up a kiosk or sign display at the project site, organizing school field trips to the project site, or giving presentations to increase support for similar projects elsewhere in the watershed. The E&O task must identify the target audience, information to be disseminated, method of delivery, and method of evaluating E&O effectiveness. The maximum amount of 319 funds that can be allocated toward project E&O activities is \$5,000.

3.3 PROJECT EFFECTIVENESS EVALUATION

All projects must contain a task dedicated to evaluating the effectiveness of the project. The evaluation will need to be focused on whether the tasks outlined in the project were successfully implemented and initial steps toward proper maintenance and operation are underway. Water quality sampling is normally not a requirement for project effectiveness evaluations. However, there may be exceptions and in those situations a DEQ approved SAP might be required.

3.4 LOAD REDUCTION ESTIMATION

For projects addressing nitrogen, phosphorus, sediment, or metals pollution, the project sponsor will work with and assist the DEQ project manager in the collection of data to determine the annual load reductions achieved by the project. Nitrogen, phosphorus, and sediment load reduction estimates are a requirement of EPA and will be submitted to EPA at the end of the project.

3.5 OPERATION AND MAINTENANCE (O&M) AND LANDOWNER AGREEMENT

An O&M plan is necessary for installation of on-the-ground practices. Operation includes the administration, management, and performance of non-maintenance actions needed to keep the completed practice functioning as intended. Maintenance includes work to prevent deterioration of the practice or repair of damage that may occur. These O&M needs are usually documented in a landowner agreement between the project sponsor and the landowner.

4.0 DEQ PRIORITIES AND PROJECT COMPETITIVENESS

The goal of Montana's NPS Program is to protect and restore water from the harmful effects of nonpoint source pollution. The more efficient and effective a project is at achieving this goal, the more likely it is to be funded. Addressing the following priorities will significantly increase the likelihood of receiving funding. These priorities are reflected either directly or indirectly in the project scoring sheet used by the Agency Review Panel (Attachment A). The considerations on the project score sheet should be addressed within the text of your application.

4.1 PROJECT GOALS AND OBJECTIVES

Some projects are of greater value in creating significant, sustainable reductions in nonpoint source pollution. DEQ's priorities are listed below.

- Projects that address the most appropriate next step for making progress towards the removal of a pollutant/waterbody combination from Montana's 2016 List of Impaired Waters.
- Projects that address the land use practice that contributes to the problem (as opposed to only addressing the results of poor land use practices) to lead to long-lasting reductions in NPS pollution.
- Projects for which water quality improvement goals are clearly defined, measurable, and attainable.
- Extent to which the project reduces pollutant loading above a permitted point source in a manner that could contribute to future economic benefit for a downstream Montana community. This consideration is based on the positive impacts that upstream nonpoint source pollutant reductions can have on regulated downstream point sources, particularly wastewater treatment plants that must meet challenging nutrient discharge limits over time.

4.2 PROJECT METHODS

The effectiveness and sustainability of individual methods of addressing nonpoint source pollution are highly variable. Some methods lead to more lasting results, have a more favorable cost/benefit ratio, or may be better suited to certain situations. When evaluating project methods, DEQ and the Agency Review Panel will consider the following:

- Will the project promote self-maintaining, natural, ecological, and social processes?
- Do outreach and education components target the most appropriate audience?
- Are project costs reasonable as compared to anticipated results?
- Has sufficient pre-project planning taken place to help ensure timely and successful completion of the project?

4.3 PROJECT MANAGEMENT

Project management is an important component of a successful project. It includes project planning, administrative skill, and completing projects on time and within budget, etc. When evaluating project management, DEQ will consider performance on previous grants and contracts.

5.0 WHEN AND HOW TO APPLY FOR FUNDING

5.1 SCHEDULE FOR FISCAL YEAR 2018 NPS FUNDING PROGRAM

Date	Event
6/22/2017	Issue of FY2018 Call for Nonpoint Source Project Funding Requests
6/22/2017 through 8/18/2017	Project sponsors may contact DEQ to obtain input on project proposals and for review of draft applications
9/18/2017 2:00 PM	Applications Due to DEQ
10/12/2017	Project Sponsor presentations and Evaluation by Agency Review Panel
10/27/2017	Notice of Intent to Award sent to Project Sponsors
Nov 2017-Feb 2018	DEQ works with Project Sponsors to finalize Scopes of Work
March-July 2018	EPA Review of Scopes Of Work, and funding to Montana is awarded
July 2018	DEQ sends contracts to Project Sponsors, Project Sponsors return signed contracts
Upon Contract Signature	Funds are available

5.2 APPLICATION FORM AND INSTRUCTIONS

The fillable **Application form** and **Instructions** are available on DEQ's website:

<http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Guidance-Documents-and-Resources>

Adobe Reader software is required and can be downloaded for free: <http://get.adobe.com/reader/>

5.3 SUBMITTAL OF APPLICATION AND ATTACHMENTS

Project sponsors must submit all documents in electronic format, and attachments must be delivered in either PDF or Microsoft Office Suite compatible file format. **DO NOT** send electronic files through Dropbox, WeTransfer, Google Docs, or any other commercially available file transfer service. Electronic documents smaller than four megabytes (4 MB) may be delivered via email to Brian Barnes: Brian.Barnes@mt.gov. Electronic documents larger than four megabytes (4 MB) must be delivered using one of these three options:

- USB Drive (aka jump drive, or thumb drive)
- Compact Disc (CD or CD/DVD)
- The State of Montana's File Transfer Service (signup instructions available at <https://transfer.mt.gov/Home/Instructions>)

CDs and jump drives sent through the mail must be post marked by 2:00 pm on the deadline and should be mailed to:

Water Protection Bureau
 Brian Barnes
 Department of Environmental Quality
 P.O. Box 200901
 Helena, MT 59620-0901

Please contact Brian Barnes to make sure that all documents were received: Brian.Barnes@mt.gov or 406 444-4205.

5.4 DEQ REVIEW OF PROJECTS AND APPLICATIONS

This step is optional and up to the discretion of the Project Sponsor. During the Call for Applications, prior to 8/18/2017, applicants are encouraged to contact DEQ staff to provide assistance to the project sponsor including the following:

- Answering questions about this call and the funding source
- Determining if the project is a good fit for this funding
- Conducting a visit to the project site
- Explaining the required tasks
- Determining if a SAP will be required
- Suggesting methods for the project effectiveness evaluation
- Discussing assistance needed in determining the load reduction estimates
- Determining the applicability of education and outreach methods

If you would like DEQ assistance in this step, contact Dean Yashan, at 406-444-5317, dyashan@mt.gov.

6.0 PROJECT SPONSOR PRESENTATIONS, EVALUATION OF APPLICATIONS, AND AWARDING OF FUNDS

Applications will be reviewed and evaluated by an Agency Review Panel on **October 12, 2017**, in Helena. The panel will be chaired by DEQ, and will include representatives from various state and federal agencies. The review panel meeting is open to the public and project sponsors will be offered an opportunity to present projects to the panel. Presentations will be limited in time, and if unable to attend in person, a phone-in option will be made available.

A scoring sheet will be used during the evaluation process and is included as **Attachment A**. The scoring sheet reflects DEQ's priorities for NPS projects, and project sponsors should review the scoring sheet and address the criteria within their Application. The scoring sheet is intended to guide Agency Review Panel discussion, however, it is not a final decision making matrix. The Agency Review Panel will use the scoring sheet to make general recommendations to DEQ regarding funding levels and project quality. Notice of Intent to Award will be sent to project sponsors by 10/27/2017.

The EPA has final approval authority over all projects selected by DEQ for funding. EPA reviews the final scopes of work consistency with the 2012 Montana Nonpoint Source Management Plan, consistency with EPA NPS program guidelines, and overall impacts on water quality. DEQ will conduct an Endangered Species Act review to establish necessary parameters for compliance with the Act. Upon receipt of EPA approval, DEQ will issue contracts to project sponsors who have received funding awards in late spring or early summer of 2018.

7.0 CONTRACTING REQUIREMENTS

Funds are administered as contracts. Contracts are legally binding agreements that identify specific products or work that must be completed prior to receiving reimbursement.

7.1 COST SHARE (MATCH)

Project sponsors are required to meet a 40% cost share (also known as match) for the project. Match can be from private, state, local, or non-profit sources, it cannot be from federal sources.

7.2 CONTRACT LIFECYCLE

Contracts will be awarded in late spring or early summer (usually June) of 2018. Projects are required to be completed within 3 years of the date the contract was signed. Expenses and match incurred by project sponsors prior to the signing of a contract, and after the expiration date of the contract, CANNOT be applied to the contract.

7.3 REPORTING REQUIREMENTS AND PAYMENT REQUESTS

Payment requests are on a reimbursement basis only. Project sponsors shall request payment no more frequently than monthly and no less frequently than semi-annually. With each payment request, project sponsors are required to submit a report that includes a description of the work completed and justification for expenses incurred. At a minimum, sponsors must submit yearly semi-annual (interim) reports, yearly annual reports, and a final report. Templates and reporting guidance for these reports can be found at: <http://deq.mt.gov/Water/WPB/Nonpoint-Source-Program/Guidance-Documents-and-Resources>

FY2018 MONTANA 319 NONPOINT SOURCE PROJECT SCORING SHEET

(To guide Agency Review Panel discussion)

Project Name: _____

Project Sponsor: _____

Reviewed By: _____

General Application Considerations		Score* (0, 1, 2 or 3)	Weight	Points Awarded**
A	Agency Review Panel			
A1	The project addresses significant source(s) of nonpoint source pollution within a watershed.		4	
A2	The project will promote self-maintaining, natural, ecological, and social processes that will protect water quality.		4	
A3	Pre-project planning has been initiated and the project has clearly identified tasks that include adequate information to describe work to be accomplished.		4	
A4	Project costs are reasonable as compared to anticipated results.		4	
A5	Nonpoint source goals for the project are clearly defined, measurable, and attainable.		3	
A6	The project involves appropriate partners and has significant stakeholder support.		2	
A7	Outreach and education component(s) of the project targets the most appropriate audience(s) with an appropriate delivery method.		1	
A8	The project location provides direct public recreational or aesthetic benefit.		2	
A9	The project provides additional benefit to natural resources. (improvements directly address recovery of an aquatic species of concern, natural water storage is addressed, direct benefit to native fisheries, wetland enhancement and protection, etc.)		1	

B	Montana DEQ (This section will be completed by DEQ staff prior to the Agency Review.)			
B1	The project is an appropriate next step for making progress towards the removal of a pollutant/waterbody combination from Montana's 2016 Impaired Waters list.		5	
B2	Sufficient technical and managerial resources are available to facilitate completion of the project, including consideration of past performance.		4	
B3	Extent to which the project reduces pollutant loading above a permitted point source in a manner that could contribute to future economic benefit for a downstream Montana community.		3	
B4	Project involves appropriate measures of project effectiveness.		2	

*1, 2 and 3 correspond to Low, Medium and High, respectively (i.e. 3 = High). 0 indicates the application does not address the question.

**To calculate Points Awards, multiply the Score by the Weight Factor (i.e. 3 x 2 = 6 Points Awarded)

Agency Review Panel Score	
Montana DEQ Score	
Total Score	
Funding Recommendation <i>FF = Fully Fund, PF+ = Partial Fund (>50%), PF- = Partial fund (<50%), NF = Not Fund</i>	

Reviewer comments and justification for funding recommendation.

General Comments: _____

Tasks and Budget Recommendations: _____

Additional Information Required from Sponsor: _____
